GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:3148
ANSWERED ON:08.12.2000
FOREIGN INVESTMENT
GANGASANDRA SIDDAPPA BASAVARAJ

Will the Minister of FINANCE be pleased to state:

(a): whether the Government propose to hike foreign investment limit for Multinational Companies asset management companies who are permitted to hold 51% stake;

(b): if so, whether the Government have received a number of applications from G.E. Capital and others who are proposing to bring Rs.23 crores provided they are permitted to hold 90% stake;

(c): if so, whether the Government are considering this proposal; and

(d): if so, the time by which a final decision is likely to be taken in this regard?

Answer

Minister of State in the Ministry of Finance Balasaheb Vikhe Patil)

a): No specific proposal of hike in foreign investment limit is under consideration of the Government.

(b): A proposal of M/s G.E.Capital India to invest up to US $ 5 million to subscribe and hold up to 90 % of an Asset Management Company in India was considered in the FIPB.

(c) & (d): Since this proposal did not fall under extant policy, the same was not approved by the FIPB.